

Communities and Culture Committee

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INQUIRY INTO THE FUNDING OF VOLUNTARY SECTOR ORGANISATIONS IN WALES

Purpose

Paper to support the Age Concern Cymru presentation to the Committee for the inquiry into the funding of Voluntary Sector organisations in Wales

Background

Age Concern Cymru

Age Concern Cymru is the leading all-Wales charity working with and for older people. For the past 60 years we have been working to improve the lives of all older people in Wales. Age Concern in Wales is made up of Age Concern Cymru and 27 locally based independent Age Concern organisations. Our activities include campaigning, research, advocacy, information, help at home, support for forums of older people and befriending. Age Concern organisations in Wales assist around 76,000 older people every year. Through the combination of an all-Wales presence, local community based organisations and our network of over 200 older people Age Concern in Wales is well positioned to be in touch with the issues affecting older people. This paper has been formulated based upon our experience as both a campaigning organisation for older people's issues and as a significant provider of services through locally based organisations. **Age Concern as part of the Voluntary Sector in Wales**

Each Age Concern organisation in Wales is an independent charity and, as such, the type and level of services provided can vary considerably as each charity responds to the differing needs and circumstances of localities. Many of our locally based Age Concern organisations are significant providers of Local Authority and Local Health Board commissioned services and have many years experience of working with both at a local level. It is important that the wider role of organisations like Age Concern is recognised for the contribution they can, and already do, make to the development of local services. Age Concern is a major figure within the Voluntary Sector in Wales in terms of volunteering, paid employees, service delivery and campaigning. **The role of the Voluntary Sector in relation to government**

The Voluntary Sector is uniquely placed in relation to its constituents. Voluntary organisations often start out as a response by local people to a perceived practical need and are rooted in self help models of response. The development of organisations into larger, more organised and professional bodies has enabled the sector to make a bigger contribution as deliverers of significant services and as contributors to policy. The Assembly recognises through the Voluntary Sector Scheme that the Voluntary Sector has an obligation to represent the views of its constituents. This is a crucial role for Voluntary Sector organisations. This role needs to be protected and developed at a national and local level. In terms of building social capital, the focus seems to have been on investing in the voluntary sector to develop services. Planners and decision makers should look at the real opportunities to develop local action. A key challenge for those planning services is to engage local people and communities in a creative dialogue which will result in plans which utilise resources in the most effective and self sustaining way. The Voluntary Sector has a critical part to play in this as a means of achieving such engagement, not just as service deliverers. The dialogue needs to be with organisations of all sizes and recognise the diversity of the sector, which is one of the sectors greatest assets. Effective consultation and participation needs resourcing in a way which reflects this understanding. Participation has the potential to harness the energy and resources of individuals and organisations to address pressing issues and to create policies and services which are much more effective in meeting need. The necessary investment in the process is ultimately cost effective. **Information and Advice services**

An important example of the difficulties with funding is that of Information and Advice services. The availability and accessibility of information underpins citizen empowerment, the placing of services users at the centre of provision and is key to unlocking the potential of individuals and communities. However, in practice funding for services is patchy and there does not seem to be a clear shared understanding of the dynamics involved. For the majority of Age Concerns in Wales, the provision of Information and Advice and support to pursue Welfare Benefit claims is considered their core activity. During 2006-2007, Age Concern organisations and groups supported older people to raise in excess of £20m of income through welfare benefits claims. However, not one of the organisations or groups involved in this work receives adequate local funding to deliver their service and many rely on donations, benevolent trust or other grant funding like Comic Relief, Tudor Trust etc. This type of funding is usually short-term and despite the need for the service being established and recognised by local strategic partners, there remains a reluctance to support the continuation of such services. The area of information and advice, which is key to the Assembly's agenda in the field of social welfare law, recognises that a citizen centred approach requires individuals and groups to have access to enforcing their rights and understanding their responsibilities. It recognises the vital importance of independence in advice provision to ensure that the citizen comes first and appropriate challenge is enabled. The Voluntary Sector brings a unique independence based on its charitable status, and an approach which is centred on the needs of the client. There is still enormous variability of access to advice across Wales and there is enormous unmet need evidenced by the waiting lists and queues and by the reported inability of clients to get through on the phone, despite this there is high level of satisfaction with Voluntary Sector supply and enormous contribution to both the individual and the community. The advice specific providers include the network of independent advice available from the Citizen's Advice Bureaux service, Shelter Cymru, Age Concern in Wales, Cardiff Law Centre, Race Equality Councils and members of Advice^{UK}. Most local provision is funded through the local authority grants and service level agreements with organisations. Current supply is based on local priorities and funding. Of the current funders only the Legal Services Commission has a statutory responsibility to ensure that their funding meets the identified needs of the most disadvantaged across the geography of Wales. However the funding is limited to specific subject areas, is tightly regulated in terms of the eligibility of clients and the type of case which can be funded. The Community Legal Service strategy has recently been published as

the Legal Services Commission's response to the increasing need for social welfare law advice within their tightening budget. The proposal calls for the pooling of advice budgets between the main funders of advice and its redistribution but does not address the issue of current under-funding or under-supply. There are real threats to the infrastructure of the independent sector in that current funding from the local authorities covers both direct advice provision but also the infrastructure of the provision including the training and development of local people as volunteers and employees, community education and regeneration and social policy. The current provision is also, rightly, diverse to seek to meet the expectations, support and access needs of individual citizens. The experience in Wales has been of a provision which is patchy and which can be improved but which is designed in collaboration between the sector using the expertise emanating from its direct contact with clients, citizens who are potential clients and the funder. The Community Legal Service strategy appears to seek to replace the collaborative approach which has been developing in Wales with a scheme which will mean that funders will pool resources, with the possible consequence of undermining current quality provision and contract for specific rather than broad based access and potentially fragment a fragile current service. Access to independent information and advice is vital to establishing the vision in 'Making the Connections'. The information and advice provision must be accessible and relevant from the citizen perspective which may mean complexity and diversity to meet demand but which must mean co-operation and co-ordination between funders and suppliers. We are pleased that the Welsh Assembly Government has developed a Strategic Action Plan for the Voluntary Sector and believe that this plays an important role in developing Wales' unique Voluntary Sector Scheme. We also welcome the fact that the Strategic Action Plan builds upon the Beecham Review and the 'Making the Connections' agenda in viewing the Voluntary Sector as a key player in the delivery of public services in Wales. Age Concern in Wales has a long history of delivering both commissioned public services for older people and services that we have identified a need for through our own work. **Volunteering** The value of volunteer work must also be recognised and appreciated. Older people in Wales contribute massively to the economy and to society through volunteering. There are an estimated 486,236 volunteers over the age of 50 in Wales contributing an estimated £469 million per annum to the Welsh economy. It is essential that if the Welsh Assembly Government wants to improve volunteering levels across Wales then services that use volunteers must be given sustainable funding. There are people willing to volunteer for us at present but we are unable to use them because we cannot attract funding for these much needed services. Many trusts and charity funders are now focusing on smaller groups and with the Welsh Assembly Government looking to do the same there is a real danger that larger organisations that operate at a local level such as Age Concern organisations will lose out on essential funding. Some of the larger Age Concern organisations have a large financial turnover but up to 80% of this can be restricted funds for local service delivery. They would lose out if Local Authorities were encouraged to commission services from very small locally based providers yet they actually have very limited funds for infrastructure support and essential core activities that enable them to effectively deliver commissioned services. The plan must not advocate a one size fits all approach to the Voluntary Sector generally and as a deliverer of services. We support the proposals in the Strategic Action Plan to look at improving commissioning, procurement and Voluntary Sector service delivery mechanisms. There is an urgent need to make these work "for" the sector. Age Concern in Wales has been struggling to get any core funding for raising standards and improving capacity and this also needs to be addressed as Voluntary Sector organisations need to be sustainable and supported at the core if they are to deliver services. The rhetoric is welcome but we need resources to make a difference. We would like to see a way to get core capacity funding using the Age Concern in Wales structure. Our way is different as we do not have an umbrella body that filters down to local organisations. This means that local organisations cannot apply for Welsh Assembly Government central funding. This situation needs to change to allow organisations that work in different ways to benefit from all funding streams and build their capacity.

Summary / Recommendations

The roles of the voluntary sector, as a deliverer of services and as a representative of the views of those it serves are both vital and can complement each other. The Assembly Government needs not only to recognise this in principle, but reflect this recognition in its own funding and other practice and in its expectations of local government. It is essential that the Welsh Assembly Government recognises the complexity of the Voluntary Sector and its capacity to deliver for the people of Wales. There needs to be changes in commissioning, procurement, funding and joint working which enable the Voluntary Sector to do what it is already doing well even better. The Assembly Government must ensure that funding and commissioning processes rise above fashions and phases and allow for delivery of sustainable services. We support the aim towards a mixed economy of service provision and feel that it is essential that monitoring is undertaken to see what progress has been made on this, what is working and what impact the mixed economy model is having. There is a great deal of scope for the Voluntary Sector and the Assembly to work together where our agendas overlap and we need to think creatively about where these overlaps are and how we can best use our unique qualities to maximum effect. We believe that the following need to be achieved:

A higher profile and better understanding of the work and nature of the Voluntary Sector in Wales within the Welsh Assembly Government and at Local Government level.

A greater level of commitment to working with the Voluntary Sector at all levels.

A greater recognition and understanding of the strengths of the sector as both a deliverer of services and a vehicle for citizen engagement. Whilst also recognising that the Voluntary Sector should not be used as a proxy for full and meaningful citizen engagement and consultation.

The creation of fairer commissioning and procurement guidance that does not disadvantage the sector and recognises its special qualities.

The creation of fairer, clearer funding schemes that make it easier for all Voluntary Sector organisations to build capacity and infrastructure.

Sustainable funding for projects so that the Voluntary Sector does not build up a much needed service only to have to remove it when funding is cut or subsidise it itself. An example of this is the current situation with Healthy Living Centres across Wales.

Improved joint working at local government level with the Voluntary Sector and across other departments.

A recognition that not all Voluntary Sector organisations operate in the same way or via the same structures. There can be no "one size

fits all" approach to this and flexibility must be built into the plan.